

1 3993 Howard Hughes Parkway, Suite 600
 2 Las Vegas, NV 89169-5996
 3 Facsimile (702) 949-8321
 4 Telephone (702) 949-8320

5 Susan M. Freeman AZ State Bar No. 004199
 6 Email: sfreeman@lrlaw.com
 7 Rob Charles NV State Bar No. 006593
 8 Email: rcharles@lrlaw.com
 9 John Hinderaker AZ State Bar No. 018024
 10 Email: jhinderaker@lrlaw.com

11 Attorneys for USACM Liquidating Trust

12 **UNITED STATES BANKRUPTCY COURT**
 13 **DISTRICT OF NEVADA**

14 In re:

15 USA COMMERCIAL MORTGAGE
 16 COMPANY,

17 USA CAPITAL REALTY ADVISORS,
 18 LLC,

19 USA CAPITAL DIVERSIFIED TRUST
 20 DEED FUND, LLC,

21 USA CAPITAL FIRST TRUST DEED
 22 FUND, LLC,¹

23 USA SECURITIES, LLC,² Debtors.

24 **Affects:**

- 25 All Debtors
- 26 USA Commercial Mortgage Company
- 27 USA Capital Realty Advisors, LLC
- 28 USA Capital Diversified Trust Deed Fund, LLC
- 29 USA Capital First Trust Deed Fund, LLC
- 30 USA Securities, LLC

31 Case No. BK-S-06-10725-LBR
 32 Case No. BK-S-06-10726-LBR
 33 Case No. BK-S-06-10727-LBR
 34 Case No. BK-S-06-10728-LBR¹
 35 Case No. BK-S-06-10729-LBR²

36 **CHAPTER 11**

37 Jointly Administered Under Case No.
 38 BK-S-06-10725 LBR

39 **DECLARATION OF EDWARD M.
 40 BURR IN SUPPORT OF OMNIBUS
 41 OBJECTIONS TO PROOFS OF
 42 CLAIM BASED UPON
 43 INVESTMENT IN I-40 GATEWAY
 44 WEST LOAN; AND CERTIFICATE
 45 OF SERVICE**

46 Date of Hearing: June 9, 2008
 47 Time of Hearing: 9:30 a.m.

48 I, Edward M. Burr, hereby declare under penalty of perjury that:

49 1. I am a principal with Sierra Consulting Group, LLC (“Sierra”). Sierra is one
 50 of the leading providers of restructuring advisory and litigation support services in the

51 ¹ This bankruptcy case was closed on October 12, 2007.

52 ² This bankruptcy case was closed on December 26, 2007.



1 Southwest. Sierra is a leading national consulting firm comprised of experienced CPAs
2 and other financial professionals.

3 2. I submit this declaration on behalf of the USACM Liquidating Trust's
4 Objections to Proofs of Claim filed this date.

5 3. This Court approved the Official Committee of Unsecured Creditors of USA
6 Commercial Mortgage Company's ("Committee") appointment of Sierra as financial
7 advisers on August 11, 2006. From that date to the Effective Date of the Debtors'
8 confirmed Plan of Reorganization, I have assisted the Committee in analyzing facts
9 concerning these jointly administered bankruptcy cases. As of the Effective Date of the
10 confirmed Plan of Reorganization, Sierra has been retained by the USACM Liquidating
11 Trust to investigate and reconcile the claims against the USA Commercial Mortgage
12 Company ("USACM") estate.

13 4. I make the following declaration based upon my personal knowledge, and
14 upon the records of the Debtors described in this declaration, including Debtors' original
15 and amended schedules of liabilities and the proofs of claim described herein, as well as
16 Debtors' accounting records.

17 5. On March 12, 2007 Effective Date of the Plan, the USACM Liquidating
18 Trust succeeded to USACM's rights with respect to books and records.

19 6. Sierra has been working closely with both the Trustee for the USACM
20 Liquidating Trust and Development Specialist Inc. ("DSI"), the Trustee's financial
21 advisor, in evaluating all of the claims that were filed in the USACM estate.

22 7. **Exhibit A**, attached, lists Proofs of Claim that appear to be based, in whole
23 or in part, upon an investment in the I-40 Gateway West Loan ("I-40 Gateway Loan").
24 For each claim listed, **Exhibit A** identifies the Proof of Claim number, the claimant, the
25 claimant's address, the total amount of the claim and the total amount of the claim that
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appears to be related to the I-40 Gateway Loan based upon the information provided by the claimant.

8. We are advised by the loan servicer, confirmed by payment records, that on or about February 14, 2007, the I-40 Gateway Loan was paid in full, as reflected in USACM's books and records. Shortly thereafter, USACM processed the payoff and distributed the proceeds to the Direct Lenders on the I-40 Gateway Loan.

9. The Direct Lenders were paid in full, subject to servicing fees and any other charges under their respective Loan Servicing Agreements and this Court's orders, including the Confirmation Order. In general, the Direct Lenders received their principal and interest on the I-40 Gateway Loan, less sums withheld for Prepaid Interest and sums known as the 2% Holdback. On the Effective Date of the Plan, the Prepaid Interest was applied, a portion of the 2% Holdback was applied to the allowed claims of the Direct Lender Committee, and the balance paid to the Direct Lenders.

10. Accordingly, the USACM Trust no longer has further obligations to the Direct Lenders arising out of the I-40 Gateway Loan because, pursuant to USACM's books and records, the I-40 Gateway Loan has been repaid in full, and the Direct Lenders have received such payment as they were entitled to under the confirmed plan of reorganization.

Dated: April 28, 2008

/s/ Edward M. Burr
Edward M. Burr



1 Copy of the foregoing mailed by first class
2 Postage prepaid U.S. Mail on
3 April 28, 2008 to:

4 All parties in interest listed on
5 Exhibit A attached.

6 s/ Renee L. Creswell

7 Renee L. Creswell

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